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2 August 1967

SUBJECT: OSP - OPPB Budget Hearing

1. At 1400 hours on 2 August 1967 a budget hearing was conducted by OPPB in room 2D03 to discuss the OSP FY 1968 Operating Budget and FY 1969 Budget Estimate. [ ] opened the meeting by passing on much the same comments made in the OEL hearing, a day earlier:

- a. The House and Senate are considering cuts.
- b. The pay raise expected in October must come from current funds.
- c. The President is considering a further cut.
- d. FY 68 will not be a good year, probably worse than FY 67. (In light of comments a. through c. this came as less than a blockbuster)
- e. There will be a hearing with BOB in October after which OSP will get their mark and can prepare phase II of the budget.
- f. OPPB, DDS&T, and OSP must have a unified, consistent presentation.

2. The first question of any magnitude posed by OPPB concerned the [ ] personnel reclama instituted by OSP. They wanted the [ ] identified. [ ] said three would be project specifications men in Design and Analysis, one a secretary in D & A, one in [ ] in Headquarters and two in [ ] [ ] A discussion followed of where the entire [ ] force requested for FY 68 would be employed and [ ] broke it down as follows:

3. A discussion of R&D funding followed including the [ ] system development. [ ] said he felt that NRO would come through with at least 70% of requested funds and that they must be in a position to continue their R&D efforts. The [ ] system is to start systems development in FY 70. This program is meaningless unless it has continuity.

4. [ ] explained an increase in CORONA budgeting by stating that this program is being stretched until December 1970 and [ ] is being pushed back to April 1970. OSP will have to procure at least two more back-up CORONA capsules (NRO funds).

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5. The hearing hung up for some time with a question by OPPB of why there is an increase of [ ] in personnel services in FY 68. [ ] had no explanation and sent for [ ] who was also unable to explain it. [ ] asked that OSP check further and let him know. (Note - [ ] says this is due to an unlisted increase in average employment and was agreed to by Mr. [ ])

NRO

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6. An increase of [ ] in Commo Equipment was questioned. [ ] stated this was for [ ] for line leases, and possibly for [ ] It is all within Agency M & O responsibility.

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7. Several other nits were picked but these were the salient points of the hearing.

[ ]  
Plans and Programs Branch  
O/DDS&T

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